

Vingroup Possesses the Three Prerequisites for a Green Future

Category: Business

written by | November 13, 2024



Driven by the vision of “Creating a Green Future,” Vingroup, Vietnam’s largest private conglomerate, is strategically positioned to lead the nation’s journey toward sustainability. Supported by substantial financial resources, a diverse and skilled workforce, and a strong commitment to innovation, Vingroup is set to overcome the financial, human, and technical challenges on the path to green transformation, contributing to Vietnam’s ambitious goal of achieving net-zero emissions by 2050.



By October 2024, VinFast has become the top-selling automotive brand in Vietnam, affirming its potential and promising prospects for future growth

Tackling the Financial Demands of Green Investment

Green transformation requires significant upfront investment, from infrastructure improvements to cutting-edge research in clean technology. For many companies, these financial demands are daunting. Yet Vingroup, a significant contributor to Vietnam's economy, accounting for 1.6% of GDP in 2023, is uniquely equipped to meet these challenges.

This financial strength has empowered Vingroup to spearhead ambitious projects that would be out of reach for many other firms. Its automotive subsidiary, VinFast, exemplifies this commitment. Vingroup's substantial financial strength has enabled it to undertake ambitious projects that would be beyond the reach of many other companies. A prime example is its electric vehicle (EV) subsidiary, VinFast. In just over five years, VinFast has emerged as a leading automotive brand in Vietnam. By October 2024, it achieved a historic milestone

as the country's best-selling automotive brand, surpassing both foreign and domestic competitors, including traditional gasoline-powered brands. This also positions Vietnam among the few countries with a domestic leader in the electric vehicle sector.

Internationally, VinFast has rapidly expanded its presence across North America, Europe, Asia, and the Middle East. This early success underscores Vingroup's ability to drive sustainable, long-term projects.

But beyond its financial capacity to fund green projects, Vingroup's strategic approach is also redefining industries by prioritizing sustainability. From electric vehicles to eco-friendly real estate development, Vingroup is setting a new benchmark for sustainable growth, inspiring other companies to follow suit.

Building a Skilled Workforce

While financial resources are crucial, skilled talent is essential for driving sustainable innovation. Vingroup has proactively recruited top global talent with both technical expertise and a passion for environmental progress.

Through strategic hiring, Vingroup has attracted renowned scientists, engineers, and technical experts, including renowned figures like Professor Vu Ha Van, who joined the Vingroup Big Data Institute as Scientific Director in 2018. Also a professor of mathematics at Yale, Professor Van returned to Vietnam after a pivotal conversation with Vingroup's founder, Pham Nhat Vuong, during which he saw in Vuong a shared vision to make a significant impact in Vietnamese science and technology. This commitment to attracting top talent has not only strengthened Vingroup's technical capacity but also infused it with valuable international perspectives, which are critical to achieving environmentally friendly practices.

Vingroup's emphasis on people embodies its belief that sustainability is ultimately driven by the individuals leading these efforts. By fostering a skilled and motivated workforce, Vingroup has reinforced its position as a leader that values intellectual capital, empowering it to pioneer sustainable development across its sectors.

Overcoming Technical Complexity in Green Transformation

Beyond finances and talent, green transformation requires advanced technical solutions, from energy-efficient systems to green infrastructure and sustainable product design. Implementing these on a meaningful scale demands a sustained commitment to research and development (R&D) and strategic partnerships. Vingroup has embraced these technical challenges by investing heavily in in-house R&D and engaging in impactful collaborations.

In sustainable urban development, for example, Vingroup's TechnoPark Tower achieved LEED Platinum certification, the highest standard for green buildings. This high-rise integrates nearly 3,000 smart sensors for lighting and air-conditioning, allowing automatic adjustments that save up to 17.4% in energy use annually.

VinFast, too, exemplifies Vingroup's technical focus, with investments in EV battery recycling through partnerships with Japan's Marubeni and North America's Li-Cycle to ensure lithium-ion batteries are reused, showing that cutting-edge technology can be implemented sustainably.

Vingroup's real estate arm, Vinhomes, has also integrated green infrastructure into its projects, including extensive electric vehicle-friendly facilities across its residential developments. This interconnected approach enables each subsidiary to contribute to Vingroup's overall sustainability goals. Such synergy across the whole ecosystem amplifies the effect of each green initiative, transforming sustainability

from isolated efforts into a unified mission embraced by all branches.

Visionary Leadership in the Face of Global Challenges

Vingroup's commitment to sustainability reflects not only strong business acumen but also a broader vision of responsible corporate stewardship. As a corporation that operates on both local and global stages, Vingroup understands the responsibility large companies have in addressing environmental challenges. With Vietnam's national pledge to achieve net-zero carbon emissions by 2050, Vingroup's role takes on greater significance, supporting the country's ambitious climate goals.

The leadership's vision for a sustainable future is evident in its alignment with Vietnam's environmental objectives, setting an example for other enterprises. Vingroup's initiatives demonstrate that economic success and environmental responsibility can not only coexist but also drive long-term corporate growth, showcasing the importance of sustainable practices in shaping the future of business in Vietnam and beyond.

